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Counsel and Proposed Counsel for the Debtor and Debtor in Possession

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:	§ Chapter 11
	§
HIGHLAND CAPITAL MANAGEMENT, L.P., ¹	§ Case No. 19-34054-sgj11
	§
Debtor.	§
	§

DECLARATION OF MARC D. KATZ

STATE OF TEXAS)
) ss:
COUNTY OF DALLAS)

I, Marc Daniel Katz, hereby declare, under penalty of perjury, as follows, pursuant to the provisions of 28 U.S.C. § 1746:

¹ The Debtor's last four digits of its taxpayer identification number are (6725). The headquarters and service address for the above-captioned Debtor is 300 Crescent Court, Suite 700, Dallas, TX 75201.

1. I am a partner of DLA Piper LLP (US) (the “Firm”) which maintains offices at 1900 North Pearl Street, Suite 2200, Dallas, Texas 75201.

2. This Declaration is submitted in connection with an order of the United States Bankruptcy Court for the District of Delaware dated November 26, 2019, authorizing the above-captioned debtor and debtor in possession (the “Debtor”) to retain certain professionals in the ordinary course of business during the pendency of the Debtor’s chapter 11 case (the “Case”).

PROFESSIONAL SERVICES

3. The Firm, through me, and members of the Firm, have represented and advised the Debtor as legal counsel, including serving as lead counsel in ongoing litigation pending in Texas and Delaware, and providing general employment law counseling, since on or around February 1, 2019.

4. The Debtor has requested, and the Firm has agreed, to continue to provide services to the Debtor pursuant to section 327 of chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) with respect to such matters.

5. The Debtor has requested, and the Firm proposes, to render such services to the following entities and individual(s): Debtor, James Dondero, Highland ERA Management LLC, and Highland Employee Retention Assets LLC.

PROFESSIONAL COMPENSATION

6. The Firm’s current customary hourly rates, subject to change from time to time, for the professionals and paraprofessionals that have been and are expected to be most active in the proposed representation are \$340.00 and \$935.00. Other Firm attorneys and paraprofessionals with comparable rates may from time to time also serve the Debtor. In the

normal course of business and to reflect economic and other conditions, the Firm revises its regular hourly rates during December of each year and requests that, effective January 1 of each year, the aforementioned rates be revised to the regular hourly rates which will be in effect at that time.

7. In the past year, the Firm has rendered services that have not yet been billed or that have been billed but with respect to which payment has not yet been received. The Firm is currently owed \$1,400,762.20 on account of such services, \$26,071.50 of which was incurred on or after October 16, 2019.

DLA PIPER'S DISCLOSURES AND DISCLOSURE PROCEDURES

8. The Firm has a large and diversified legal practice that encompasses there presentation of many financial institutions and commercial corporations. In preparing this Declaration, I used a set of procedures (the "Firm Disclosure Procedures") developed by the Firm to ensure compliance with the requirements of the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules regarding the retention of professionals. Pursuant to the Firm Disclosure Procedures, I performed, or caused to be performed, the actions described below to identify the Firm's connections to parties in interest in these proceedings.

9. In preparing this Declaration, I submitted or caused to be submitted for review under our regularly updated conflicts check system the names of various parties in interest in this Case (collectively, the "Interested Parties"), as received from the Debtor. The identities of the Interested Parties are set forth on the appended Schedule 1 and incorporated herein by reference. The results of our conflicts check were compiled and analyzed by the Firm attorneys acting under my supervision.

10. To the best of my knowledge, formed after due inquiry, neither I, the Firm, nor any partner, of counsel, associate, or employee thereof has any connection with the Debtor or currently represents any of its creditors, other Interested Parties, the Office of the United States Trustee or any person employed by the Office of the United States Trustee with respect to the matters upon which it is to be engaged, and the Firm does not, by reason of any direct or indirect relationship to, connection with, or interest in the Debtor, hold or represent any interest adverse to the Debtor, its estate or any class of creditors or equity interest holders, except as set forth below:

- (a) Attached to this Declaration as Schedule 2 and incorporated in this Declaration by reference is a list of Interested Parties (or their affiliates) that the Firm currently represents, has represented in the past, and may in the future represent in matters unrelated to the Debtor's Case. Although the Firm has represented, currently represents, and may continue to represent certain entities and individuals listed on Schedule 2 to this Declaration, the Firm will not represent any such entity or individual in this Case.
- (b) the Firm does not represent, and has not represented, any entity other than the Debtor in matters related to this Case.
- (c) Firm personnel may have business associations with certain creditors of the Debtor or counsel or other professionals involved in this Case. In the ordinary course of business, the Firm may engage counsel or other professionals in unrelated matters that now represent, or in the future may represent, creditors or other interested parties in this Case.

11. Thus, I believe that the Firm's representation of such entities in matters entirely unrelated to the Debtor is not adverse to the Debtor's interests, or the interests of its creditors or estate in respect of the matters for which the Firm will be engaged, nor will such services impair the Firm's ability to represent the Debtor in the ordinary course in this case

12. Given the number of attorneys in the Firm's various offices, attorneys at the Firm may have professional, working, or social relationships with firms or professionals at firms

that may be adverse to the Debtor. In addition, several attorneys at the Firm have spouses, parents, children, siblings, fiancés or fiancées who are attorneys at other law firms or companies. Also, certain attorneys at the Firm may have spouses, parents, children, siblings, fiancés or fiancées who are employees of one or more of the parties in interest. The Firm has strict policies against disclosing confidential information to anyone outside of the Firm, including spouses, parents, children, siblings, fiancés and fiancées.

13. In addition, although unascertainable at this time after due inquiry, due to the magnitude of the Debtor's potential universe of creditors and the Firm's clients, the Firm may have in the past represented, currently represent, and may in the future represent entities that are claimants of the Debtor in matters entirely unrelated to the Debtor and its estate. The Firm does not and will not represent any such entity in connection with this pending Case and does not have any relationship with any such entity, attorneys or accountants that would be adverse to the Debtor or its estate.

14. To the best of my knowledge, formed after due inquiry, neither I, the Firm, nor any employee thereof has any affiliation with the Debtor, the Debtor's affiliates, Mr. James Dondero, or Mr. Mark Okada, except through the representations identified herein.

15. In light of the foregoing, I believe that the Firm does not hold or represent any interest materially adverse to the Debtor, its estate, creditors, or equity interest holders, as identified to the Firm, with respect to the matters in which the Firm will be engaged.

16. Except as set forth herein, no promises have been received by the Firm or any partner, associate or other professional thereof as to compensation in connection with this case

other than in accordance with the provisions of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware, and orders of this Court.

17. The Firm further states that it has not shared, nor agreed to share any compensation received in connection with this case with another party or person, other than as permitted by section 504(b) of the Bankruptcy Code and Bankruptcy Rule 2016.

18. The foregoing constitutes the statement of the Firm pursuant to sections 329 and 504 of the Bankruptcy Code and Federal Rules of Bankruptcy Procedure 2014 and 2016(b).

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.



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Interested Party/Affiliate	Clients and Their Affiliates	Relationship to Debtor
ACIS Capital Management, Highland Capital Management LP	Current Client	Debtor
American Arbitration Association	Current Client	Top 20 Unsecured Creditors
Anderson Mori & Tomotsune (US)	Former Client	Professionals
Anderson Mori & Tomotsune (US)	Current Client	Professionals
Andrews & Kurth (Canada)	Former Client	Top 20 Unsecured Creditors
Andrews Kurth L.L.P. (US)	Former Client	Top 20 Unsecured Creditors
Ashwini Mehra of Duff & Phelps in his Capacity as the IRP of Punji Lloyd Limited	Current Client	Top 20 Unsecured Creditors
Banco Bilbao Vizcaya Argentaria, S.A.	Current Client	Banks and Secured Parties
Bascom Greenbriar Investors LLC	Affiliate of Current Client	Other Parties
Baylor University	Current Client	Other Parties
BBVA Bancomer	Current Client	Banks and Secured Parties
BBVA Compass	Current Client	Banks and Secured Parties
Bell Nunnally & Martin LLP	Former Client	Professionals
BET Investments, Inc.	Former Client	Notice Parties
Castle Biosciences, Inc.	Current Client	Affiliated Parties
Concord Management Systems, Inc.	Former Client	Other Parties
Crown Global Insurance Group	Current Client	Other Parties
DCT TX 2004 RN Portfolio Greenbriar GP LLC	Affiliate of Former Client	Other Parties
Deloitte & Touche Colombia	Current Client	Professionals
Deloitte & Touche LLP - Toronto	Former Client	Professionals
Deloitte & Touche LLP (Canada)	Former Client	Professionals
Deloitte & Touche LLP (US)	Current Client	Professionals
Deloitte Legal RA GMBH	Former Client	Professionals
Deloitte LLP	Current Client	Professionals
Deloitte Restructuring Inc.	Current Client	Professionals
Deloitte Touche Tohmatsu Limited	Former Client	Professionals
Dolomiti 2 PE WB S.a. R.L.	Former Client	Other Parties
Dolomiti PE WB III S.A R.L.	Former Client	Other Parties
Dolomiti PE WB IV S.A R.L.	Former Client	Other Parties
Dolomiti PE WBI I SARL	Affiliate of Current Client	Other Parties
Duff & Phelps	Former Client	Top 20 Unsecured Creditors
Duff & Phelps B.V.	Former Client	Top 20 Unsecured Creditors
Duff & Phelps Corp.	Current Client	Top 20 Unsecured Creditors
Duff & Phelps Corporation	Current Client	Top 20 Unsecured Creditors
Duff & Phelps Global Utility Income Fund Inc	Former Client	Top 20 Unsecured Creditors
Duff & Phelps LLC	Affiliate of Current Client	Top 20 Unsecured Creditors
Duff & Phelps Securities, LLC	Former Client	Top 20 Unsecured Creditors
Duff & Phelps, LLC	Former Client	Top 20 Unsecured Creditors
Duff and Phelps LTD	Current Client	Top 20 Unsecured Creditors
Duff and Phelps Corporation	Former Client	Top 20 Unsecured Creditors
Eagle Advisors Inc. (International)	Current Client	Affiliated Parties
Eagle Advisors Inc. (US)	Former Client	Affiliated Parties
Entegra	Affiliate of Current Client	Other Parties
Entegra, LLP	Former Client	Other Parties
Estate of Maryland Ouye	Former Client	Other Parties
Four Rivers Holding Company	Current Client	Other Parties

Interested Party/Affiliate	Clients and Their Affiliates	Relationship to Debtor
Four Rivers Holding Company and Four Rivers Development	Former Client	Other Parties
FTI Consulting	Current Client	Professionals
FTI Consulting (Australia) PTY LTD	Current Client	Professionals
FTI Consulting (Perth) PTY LTD	Former Client	Professionals
FTI Consulting BV	Current Client	Professionals
FTI Consulting Canada, Inc.	Former Client	Professionals
FTI Consulting Deutschland GMBH	Former Client	Professionals
FTI Consulting Group Limited	Current Client	Professionals
FTI Consulting Inc. (International)	Current Client	Professionals
FTI Consulting LLP	Current Client	Professionals
FTI Consulting PTE LTD	Current Client	Professionals
FTI Consulting SC GMBH	Current Client	Professionals
FTI Consulting Technology LLC	Current Client	Professionals
FTI Consulting, Inc. (Brazil)	Current Client	Professionals
FTI Consulting, Inc. (Canada)	Current Client	Professionals
FTI Consultoria LTDA	Current Client	Professionals
GlenEagles Office LLC	Current Client	Other Parties
GlenEagles, LLC	Current Client	Other Parties
Greenbriar Partnership	Former Client	Other Parties
Grosvenor Capital Management	Former Client	Other Parties
Hakusan Corporation	Former Client	Other Parties
Harko, LLC	Affiliate of Current Client	Other Parties
HCO Holdings I Corp	Current Client	Other Parties
Highland Capital Management	Current Client	Debtor
Highland Capital Management LP	Current Client	Debtor
Hunter Mountain Investment Trust	Affiliate of Current Client	Equity Holders (Direct and Indirect)
Integrated Financial Solutions PLLC	Former Client	Notice Parties
Intertrust	Affiliate of Current Client	Notice Parties
Intertrust (Netherlands) B. V.	Current Client	Notice Parties
Intertrust Fiscal Trustee A. R. L.	Current Client	Notice Parties
Intertrust Ireland	Affiliate of Current Client	Notice Parties
Intertrust Technologies Corp	Current Client	Notice Parties
Intertrust Technologies Corporation	Current Client	Notice Parties
John Williams Honis	Current Client	Other Parties
Kaufman County Of	Affiliate of Current Client	Notice Parties
KCC (Kurtzman Carson Consultants LLC)	Former Client	Professionals
Key Bank National Association	Current Client	Banks and Secured Parties
Kim & Chang	Former Client	Professionals
Latitude Capital Group	Former Client	Other Parties
Meritage Homes Corporation	Current Client	Other Parties
Michael D. West	Current Client	United States Trustee for the District of Delaware (and Key Staff Members)
NCI Assets Holdings CO LLC	Affiliate of Former Client	Other Parties
Nexbank Capital Inc	Affiliate of Former Client	Other Parties
Nexbank Capital Trust I	Affiliate of Former Client	Other Parties
Nexbank Land Advisors Inc	Affiliate of Former Client	Other Parties
Nexbank Securities Inc	Affiliate of Former Client	Other Parties
Nexbank SSB	Former Client	Other Parties
Nexbank Title Inc	Affiliate of Former Client	Other Parties
Nexwash LLC	Affiliate of Former Client	Other Parties
Oak Holdco BV	Affiliate of Current Client	Other Parties
Ohio State Life Insurance Co	Affiliate of Current Client	Other Parties

Interested Party/Affiliate	Clients and Their Affiliates	Relationship to Debtor
Oldenburg Group Incorporated	Current Client	Affiliated Parties
Park West Apartments	Affiliate of Current Client	Other Parties
Park West, Inc.	Former Client	Other Parties
Pension DanMark PensionForSikringa Ktieselska B	Affiliate of Current Client	Other Parties
PensionDanMark	Current Client	Other Parties
Pershing Associates	Affiliate of Current Client	Affiliated Parties
Pershing General Parter Ltd.	Former Client	Affiliated Parties
Pershing Group LLC	Affiliate of Current Client	Affiliated Parties
Pershing Securities Limited	Current Client	Affiliated Parties
Powder Horn Individual Purch.	Former Client	Other Parties
Price Waterhouse Limited	Former Client	Professionals
PriceWaterhouseCoopers (Canada)	Current Client	Professionals
PriceWaterhouseCoopers (US)	Current Client	Professionals
PriceWaterhouseCoopers Brasil	Current Client	Professionals
PriceWaterhouseCoopers Inc. (Canada)	Current Client	Professionals
PriceWaterhouseCoopers Inc. (US)	Current Client	Professionals
PriceWaterhouseCoopers International Limited	Current Client	Professionals
PRICEWATERHOUSECOOPERS LEGAL AKTIENGESELLSCHAFT RECHTSANWALTSGESELLSCHAFT ("PWC LEGAL")	Former Client	Professionals
PriceWaterhouseCoopers Legal Szurminska-Jaworska SP. K.	Former Client	Professionals
PWC	Current Client	Professionals
PWC (Amsterdam)	Former Client	Professionals
PWC (Barcelona)	Former Client	Professionals
PWC (Belgium)	Former Client	Professionals
PWC (Chicago)	Former Client	Professionals
PWC (Chile)	Former Client	Professionals
PWC (Hamburg)	Former Client	Professionals
PWC (London)	Current Client	Professionals
PWC (Luxembourg)	Former Client	Professionals
PWC (Madrid)	Former Client	Professionals
PWC (Manchester)	Former Client	Professionals
PWC (Melbourne)	Current Client	Professionals
PWC (New York)	Current Client	Professionals
PWC (Oakville)	Former Client	Professionals
PWC (Paris)	Former Client	Professionals
PWC (Philadelphia)	Former Client	Professionals
PWC (Singapore)	Former Client	Professionals
PWC (Southhampton)	Former Client	Professionals
PWC (Switzerland)	Current Client	Professionals
PWC (Tampa)	Former Client	Professionals
PWC (Toronto)	Current Client	Professionals
PWC (Uxbridge)	Former Client	Professionals
PWC (Vancouver)	Former Client	Professionals
PWC (Zurich)	Former Client	Professionals
PWC Capital Inc.	Former Client	Professionals
PWC Pure Water Corporation	Current Client	Professionals
PWC Ukraine	Former Client	Professionals
Radco Management, LLC	Former Client	Other Parties
Randolph "Trey" Parker	Current Client	Other Parties

Interested Party/Affiliate	Clients and Their Affiliates	Relationship to Debtor
RiverView Partners LLC	Affiliate of Current Client	Other Parties
SSB Assets LLC	Affiliate of Former Client	Other Parties
State of California Franchise Tax Board	Affiliate of Current Client	Taxing and Other Significant Governmental Authorities
Stephen A. Grant	Former Client	Clerk of Court and Deputy for the District of Delaware
Stonebridge-Highland Healthcare Private Equity Fund	Former Client	Other Parties
The Radco Companies and Ashford St. Charles, LLC	Former Client	Other Parties
UBS	Current Client	Top 20 Unsecured Creditors
UBS Argentina SRL	Current Client	Top 20 Unsecured Creditors
UBS Business Solutions US LLC	Current Client	Top 20 Unsecured Creditors
UBS Group AG	Former Client	Top 20 Unsecured Creditors
UBS Optimus Foundation	Current Client	Top 20 Unsecured Creditors
UBS Securities LLC	Current Client	Top 20 Unsecured Creditors
UBS Trust Company of Puerto Rico	Current Client	Top 20 Unsecured Creditors
Willkie Farr & Gallagher LLP (Canada)	Current Client	Professionals
Willkie Farr & Gallagher LLP (International)	Former Client	Professionals
Willkie Farr & Gallagher LLP (US)	Current Client	Professionals
Winstead P.C.	Former Client	Professionals